


KANSAS
CORPORATION COMMISSION

Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

February 29, 2008

YOLANDA NUNLEY
OSBORN HEIRS COMPANY
P O BOX 17968
SAN ANTONIO TX 78217-0968

RE: LEASE: KINZEL 11
LEGAL: 1220'FNL-2540'FEL 11-18S-12W
COUNTY: BARTON
API NO: 15009249570000

Dear Ms. Nunley:

This letter is to inform you that you have been granted an extension of time in which to close the drilling pits associated with the drilling of the Kinzel 11 well.

The original 365 days for closure expired December 14, 2007. This extension will expire August 19, 2008. We urge you to make every effort to close these pits within this time frame. In the event there is water standing in these pits, please dewater and dispose of fluids in an authorized disposal facility to expedite closure. Extension of this time frame automatically extends the time period for filing the Closure of Surface Pit form.

Failure to close the pit or request an additional extension prior to the expiration date may result in a fine in accordance with K.A.R. 82-3-602(c). An additional extension will only be granted for good cause and after K.C.C. field staff has made an inspection of the site. Should field staff discover that said pit has been closed before the date of extension request, an administrative penalty may be assessed to you through K.C.C. invoice.

If you have any questions in this regard, please do not hesitate to contact Jonelle Rains at (316) 337-6226.

Very sincerely yours,



Doug Louis
Director

cc: Jonelle Rains
District #4



OSBORN HEIRS COMPANY
OIL AND GAS EXPLORATION AND PRODUCTION

P.O. BOX 17968

SAN ANTONIO, TEXAS 78217-0968

(210) 826-0700

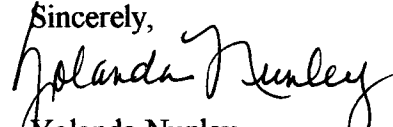
February 19, 2008

Ms. Jonelle Rains
Kansas Corporation Commission
130 S. Market, Room 2078
Wichita, KS 67202-3802

RE: Kinzel #11
Extension of Pit Closure
API No. 15-009-24957
Barton County, KS

Dear Ms. Rains,

Osborn Heirs Company spudded the above referenced Kinzel #11, located NE/4, Sec. 11-T18S-R12W, Barton County, Kansas, on December 14, 2006, with completion on April 25, 2007. Due to weather and the location of the pit, the pit is still too wet to close. Osborn Heirs Company respectfully requests a six-month extension to having the Kinzel #11 pit open. For your ready reference, enclosed is a copy of the survey plat describing the surface location. If there are any questions or concerns, please do not hesitate to contact me.

Sincerely,

Yolanda Nunley
Production Administrator

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KANSAS CORPORATION COMMISSION

FEB 22 2008

CONSERVATION DIVISION
WICHITA, KS



Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

Osborn Heirs Company, LTD
PO BOX 17968
SAN ANTONIO TX 78217

January 8, 2008

Re: Closure of Drilling Pits
KINZEL Lease Well No. 11
SWNWNE 11-18S-12W
BARTON County, Kansas
API No. 15009249570000

Dear Sirs:

The above referenced well was spudded on 12/14/2006. According to K.A.R. 82-3-602, "Drilling pits ... shall be closed within a maximum of 365 calendar days after the spud date of a well". The subject drilling pits should have been closed by 12/14/2007. A Closure of Surface Pit, form CDP-4 (April 2004), should be filed within 30 days after the drilling pits are closed. **Conservation division forms are available through our office and on the KCC web site: <http://kcc.ks.gov/conservation/forms/>**

Should an extension be warranted, it must be received by 12/14/2007. **TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:**

Date of location inspection by operator/agent: 2/12/08

Reason for extension: Pit has been wet due to weather

Estimated period of time until pit closure: 6 months

Failure to timely close the pit, file a request for an extension or file the closure form within the allotted time periods may result in assessment of an administrative penalty.

Your cooperation in this process is appreciated. If you have any questions or concerns, please call **Sammy Flaharty** at (316) 337-6227.



Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

February 4, 2008

Osborn Heirs Company, LTD
PO BOX 17968
SAN ANTONIO TX 78217

RE: NOTICE OF VIOLATION - 82-3-602

Dear Sir or Madam:

K.A.R. 82-3-602(a) states that drilling pits shall be closed within a maximum of 365 calendar days after the spud date of a well. Any pit permit may be extended upon written request by the operator and with the approval of the director. Failure to close any pit or to file an extension within the prescribed time limits shall be punishable by a \$250 penalty.

K.A.R. 82-3-602(c) states "Each operator of a pit shall file a pit closure form ... within 30 days after the closure of the pit. Failure to file the pit closure form in accordance with this subsection shall be punishable by a \$100 penalty".

According to our records a Closure of Surface Pit, form CDP-4 (April 2004), or a request for an extension has not been filed and is past due for the following well:

<u>API NO.</u>	<u>WELL</u>	<u>LOCATION</u>	<u>COUNTY</u>	<u>SPUDDATE</u>
15009249570000	KINZEL 11	11-18-12W	BARTON	12/14/2006

This requested information must be submitted by **February 25, 2008**. Failure to submit the requested information by this date may subject **Osborn Heirs Company, LTD** to the assessment of the above referenced penalty(s). Conservation division forms are available through our office and on the KCC web site: <http://kcc.ks.gov/conservation/forms/>

Should you have any questions or concerns please contact Sammy Flaharty at (316) 337-6227.

Sincerely,

Jonelle Rains, Supervisor
Department of Environmental Protection and Remediation

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KANSAS CORPORATION COMMISSION
FEB 22 2008
CONSERVATION DIVISION
WICHITA, KS